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[CLICK HERE FOR THE CEO's REPORT DATED AUGUST 17, 2007](#)

[CLICK HERE FOR THE CEO's REPORT DATED OCTOBER 12, 2007](#)

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[CLICK HERE FOR THE CEO's REPORT DATED JUNE 26, 2008](#)



County of Los Angeles
CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

August 17, 2007

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to read "WTF", is written over the printed name of William T. Fujioka.

**COMMITTEE REPORT ON RECOMMENDATIONS THAT ENCOURAGE
LOS ANGELES COUNTY EMPLOYEES TO PURCHASE AND USE "GREEN"
VEHICLES, OR USE PUBLIC TRANSPORTATION FOR THEIR COMMUTE TO
WORK**

On March 13, 2007, the Board of Supervisors (BOS) directed the Chief Executive Office (CEO), in cooperation with the Internal Services Department (ISD) County Energy team, to develop incentives to use green vehicles or provide other incentives to Los Angeles County (County) employees to lessen the environmental impact of their work commute.

Representatives from the CEO, ISD, Regional Planning, Public Health, and Public Works met and developed recommendations that will be pursued and further developed for subsequent presentation to your Board:

COMMUTER BENEFIT PLAN

The CEO, in coordination with the Department of Human Resources, Auditor-Controller and County Counsel, will explore the implementation of a benefit plan that allows employees to use pre-tax dollars to pay for employment-related transportation.

EMPLOYEE HYBRID VEHICLE INCENTIVE PURCHASING PROGRAM

The CEO and ISD will explore the implementation of various programs to support the use of green vehicles or public transit such as establishing a program for County employees to cost-effectively lease or purchase alternative fuel vehicles;

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT CREDITS

The CEO Intergovernmental Relations Branch will work with the South Coast Air Quality Management District (SCAQMD) to assess the feasibility of including an Employee Hybrid or Green Vehicle Incentive Purchasing or Leasing Program and an Alternative Fuel Vehicles Parking Program among credit-redeeming strategies for satisfying Rule 2202 – Employee Commute Reduction Program (Ridesharing), and report back to the Board within 75 days with a status.

One proposal to achieve credits is to provide preferred parking at County lots for those who drive hybrid or alternative fuel vehicles. This is similar to what is currently in place for County Ridesharing Vanpool participants.

FLEXIBLE CAR SHARING PROGRAM

The CEO and ISD will explore other programs that provide employees access to daytime pool vehicles for personal use if they do not have access to a personal vehicle because they use public transportation.

COMMUTER BENEFIT PROGRAM

In 2003, the BOS approved County participation in a commuter benefit plan. Under Internal Revenue Code (IRC) Section 132(f), employees may use pre-tax dollars to pay for employee-related transportation expenses. Currently, only one component of the authorizing Code has been implemented: Employees participating in the Civic Center Parking Plan are able to use pre-tax dollars to pay for a portion of their parking costs.

There is an opportunity to expand the use of pre-tax dollars to those who participate in ridesharing or use public transportation options, such as bus or rail. Expanding the commuter benefit program provides benefits to the County and employees alike. However, further analysis needs to be undertaken to determine the cost of implementing the program, employee interest, and any administrative fees that can be charged to program participants to offset the cost to the County. In addition, a solicitation process would need to be developed to obtain a provider to oversee the benefit implementation.

The CEO, in concert with the Department of Human Resources, Auditor-Controller and County Counsel, will return to your Board with a timeline and recommendation on the feasibility and cost effectiveness, of expanding the current commuter benefit program to include public transportation.

EMPLOYEE HYBRID VEHICLE INCENTIVE PURCHASING PROGRAM

Green car purchasing or leasing incentives are currently offered by a few public agencies and private businesses. For example, credit unions that serve County employees have negotiated pricing arrangements for their members. There may be opportunities to explore financing discounts as well for the purchase or lease of hybrid vehicles. In addition, the American Automobile Association and Costco have member incentives that include vehicle pricing arrangements. The City of Riverside offers \$2,000 reimbursements to full-time employees if they buy new hybrids, and \$1,000 for purchasing used hybrids.

Furthermore, there are other incentives for alternative fuel vehicle (AFV) or hybrid purchases. For example, some insurers provide discounts on auto insurance for hybrid or AFV owners. Clean Energy, a Natural Gas supplier, provides discounted fuel pricing for 18 months with a purchase of a Honda Compressed Natural Gas (CNG) vehicle. A home refueling appliance is readily available for the Honda CNG vehicle. The home refueling appliance unit cost is \$4,000 and typical installation costs range from \$1,000 to \$2,000. Both the SCAQMD and the Mobile Source Air Pollution Reduction Review Committee (MSRC) offer incentives for the purchase or lease of a home refueling appliance for natural gas vehicles. If an employee purchases a home fueling appliance, the SCAQMD will provide a \$2,000 incentive. If the refueling device is leased from American Honda, the SCAQMD and MSRC will each provide a \$1,000 incentive. An employee may qualify for an additional \$1,000 tax credit from the Federal government if they meet the credit requirements.

The CEO, in concert with affected departments, will explore the development of programs that would provide incentives for employee purchase or lease arrangements for hybrid or green vehicles. These could range from County employee participation in member pricing discounts with associations who already have discount arrangements, financing discounts that may be available to County employees by member credit unions, or direct agreements with car dealerships throughout the County.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT CREDITS

The SCAQMD mandates the County to reduce mobile source emissions generated from employee commutes in order to comply with Federal and State Clean Air Act requirements. Presently, there is no SCAQMD-approved strategy for parking for alternative fuel vehicles.

The County complies with SCAQMD Mobile Source Emissions Mitigation mandate through Rule 2202 – On-Road Motor Vehicle Mitigation Options by implementing an Employee Commute Reduction Program (Ridesharing). The Employee Commute Reduction Program allows the County to implement various rideshare strategies that focus on reducing work-related vehicle trips to the worksite.

The County should identify strategies that comply with SCAQMD requirements and provides credits towards achieving the County's mobile source emission reduction target.

The following are the strategies that should be presented to the SCAQMD for authorization under Rule 2202:

- Employee Hybrid Vehicle Incentive Purchasing Program
- AFV Preferred Parking Program that would provide employee preferred parking at County employee parking lots

We recommend that the AFV Preferred Parking Program only be implemented when the SCAQMD has authorized the program to be a mobile source emission reduction credit towards our clean air goals. The implementation of this program without prior SCAQMD credit approval would undermine the County's current Employee Commute Reduction Program and may jeopardize compliance with Rule 2202, which could lead to fines for non-compliance.

FLEXIBLE CAR SHARING PROGRAM

Other options include the feasibility of making available to employees vehicles that they may use for personal business during the day. One company (Flexcar) has a sharing program, which provides employees with alternative means of transportation while encouraging concurrent participation in some form of commuter program by providing a vehicle at the workplace that employees can use for personal business. Employees pay a rental fee to use the vehicle to go to personal appointments during the workday.

Each Supervisor
August 17, 2007
Page 5

SCAQMD mandates the County's participation in ridesharing as a means to reducing traffic and air pollution from the employee commute to work. Under SCAQMD mandates, non compliance could result in fines that equal \$60 per person per day at each worksite. Providing an incentive for County employees to take advantage of public transportation and van pooling demonstrates the County is carrying out County Code, chapter 5.90 Vehicle Trip Reduction – Ridesharing. This Code requires that department heads who supervise more than 100 employees at a given worksite promote County employee participation in trip reduction and ridesharing programs.

Implementation of some or all of these programs is intended to reduce traffic congestion and air emissions from vehicles used for commuting between home and the worksite.

We plan to return to your Board with an updated status within 30 days. If you have any questions, please call me or Debbie Lizzari at 974-6872.

WTF:DL:JA
MP:rld

c: Executive Office, Board of Supervisors
 County Counsel
 Auditor-Controller
 Internal Services Department
 Regional Planning
 Human Resources
 Public Works



WILLIAM T FUJIOKA
Chief Executive Officer

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October 12, 2007

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
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Supervisor Don Knabe
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From: William T Fujioka
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STATUS REPORT ON RECOMMENDATIONS TO ENCOURAGE COUNTY EMPLOYEE USE OF PUBLIC TRANSPORTATION AND/OR PRIVATE PURCHASE OF "GREEN" VEHICLES

On March 13, 2007, the Board of Supervisors (Board) directed the Chief Executive Office, in cooperation with the Internal Services Department, to develop incentives that would encourage County employees to use public transportation and/or "green" vehicles for commuting to and from work. We provided an initial status report on August 17, 2007. This is a second status report.

USE OF PUBLIC TRANSPORTATION

As indicated in the initial status report, Section 132(f) of the Internal Revenue Code permits the use of pre-tax dollars for specified employment related transportation expenses, such as bus or rail expenses and parking expenses. Allowable pre-tax expenditures are currently limited to \$110 per month for mass transit expenses and \$215 per month for parking expenses. These dollar amounts are indexed each year by the IRS.

The County has already implemented the pre-tax provisions for parking expenses for the Civic Center Parking Plan. For example, all employees who park in the Civic Center receive a \$70 allowance and the \$120 parking deduction that applies to most employees is taken as a pre-tax deduction. Civic Center employees who do not pay for parking receive the allowance as taxable cash and must pay for bus or rail fare with after-tax dollars.

The Internal Revenue Code permits the extension of a tax exempt status to bus and rail expenditures, but only under very specific conditions set out in the Code. In an area such as Los Angeles, vouchers for the purchase of fare media, or the actual fare media, must be distributed directly to employees by the County (or a vendor acting on the County's behalf) and individual employee accounts must be established and charged for the cost of the vouchers or fare media.

The County does not currently possess the systems or administrative expertise necessary to operate a tax exempt mass transit commuter program, but there are a number of vendors in the community that specialize in the type of service. Based on what we know at this point, we believe it would be very feasible to have a vendor administer the voucher/fare media distributions and employee accounts, and then interface with the County's payroll system, to effectuate the necessary payroll deductions and tax reporting. We are, therefore, planning to conduct a Request for Proposal (RFP) to determine if a cost effective program is indeed viable. In this connection, the following should be noted:

- The program in question would have no connection with any of the County's cafeteria plans and could be initiated at any time of the year. Employees could enter or exit the program on a month-to-month basis (i.e. no annual elections as under the cafeteria plans).
- We will pursue the feasibility of charging vendor fees to the participating employees and, if possible, making the fees tax exempt as well (opinion from counsel is pending on this). This program would be cost neutral to the County.

We estimate we will need four months to complete the RFP process. We will know more at that point and report back to the Board with our findings by February 28, 2008.

EMPLOYEE HYBRID VEHICLE INCENTIVE PURCHASING PROGRAM

As a means of facilitating the use of hybrid and alternative fuel vehicles (AFVs), we will be recommending that the Board authorize the Director of the Internal Services Department (ISD) to enter into delegated agreements with automobile dealers that will set certain guaranteed prices and terms and conditions for County employees who lease or purchase hybrid or AFV. ISD has developed a standardized "New Vehicle Promotion Agreement" that will serve as the model agreement. County Counsel is currently reviewing the details of this document.

The model agreement will include, among other things, the following key components:

- Maximum prices that can only be changed with the concurrence of ISD. These prices must meet or exceed any discount or offering granted to any other organization (excluding commercial fleet sales), or any offer otherwise made available to the general public.
- ISD will be the final arbiter of any disputes between employees and participating dealers relating to a dealer's performance under the agreement during the first 12 months following a lease or purchase. ISD's decision will be binding on the Dealer.

Following Board approval of the delegated agreement arrangement, we will begin the process of establishing agreements with dealerships throughout the County of Los Angeles. We will develop a strategy to communicate the program to County employees and provide related information on similar programs offered through credit unions. We also plan to distribute information on auto insurance discounts and other incentives generally available to owners of alternate fuel vehicles.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (AQMD) CREDITS

We currently offer preferred employee parking to carpools and vanpools for purposes of compliance with AQMD's Rule 2202 Employee Commute Reduction Program (ECRP). However, AQMD does not recognize hybrids and AFVs as part of the ECRP. We believe this policy should be changed.

We have requested that AQMD allow the County to include hybrid and AFVs among its ridesharing strategies and deem these strategies eligible for preferred parking. Each strategy must be approved by AQMD prior to implementation in order to receive Rule 2202 credit. If AQMD opts not to recognize these strategies for Rule 2202 credit, we will report back to the Board with recommendations relative to preferred parking for hybrids and AFVs. Pending an AQMD response, we will continue to promote the existing carpool and vanpool policy regarding parking.

Each Supervisor
October 12, 2007
Page 4

FLEXIBLE CAR SHARING PROGRAM

Employees who carpool or use mass transit may have the need to request time-off during their regular work schedules for medical appointments or other personal needs, and they may need a car for this purpose. There are car rental services that can accommodate this need by making rental cars available on an hourly basis at locations within close proximity to populous County facilities. However, we have concluded that the County could best serve this need not by directly sponsoring a particular rental car service, but by making employees generally aware of the services already available to them as individual consumers. Toward this end, we plan to work with the various rental car service providers to facilitate the communication of their services to County employees.

We plan to return to your Board with an updated status on all of these issues within 90 days. If you have any questions, please call me or Debbie Lizzari at 974-6872.

WTF:DL:WGL
PG:LSB:df

c: Executive Office, Board of Supervisors
 County Counsel
 Auditor-Controller
 Internal Services Department
 Regional Planning
 Human Resources
 Public Works



County of Los Angeles CHIEF EXECUTIVE OFFICE

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Fourth District

MICHAEL D. ANTONOVICH
Fifth District

February 12, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**APPROVE THE ESTABLISHMENT OF A VEHICLE PURCHASING SERVICES
PROGRAM FOR EMPLOYEES OF THE COUNTY OF LOS ANGELES AND
APPROVE THE AGREEMENT WITH LONGO TOYOTA TO PARTICIPATE IN THE
VEHICLE PURCHASING SERVICES PROGRAM
(ALL DISTRICTS) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the establishment of a Vehicle Purchasing Services Program (Program) that will provide an incentive to employees of the County of Los Angeles to purchase or lease alternative fuel vehicles.
2. Approve and instruct the Chairman to sign the agreement to authorize Longo Toyota to participate in the Program (attached).
3. Delegate authority to the Director of the Internal Services Department (ISD) or his designee, to approve all future agreements with automotive dealerships who wish to participate in the Program.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On March 13, 2007, the Board of Supervisors directed the Chief Executive Office, in cooperation with the ISD County Energy team, to develop incentives to use green vehicles to lessen the environmental impact of County of Los Angeles employees work commute.

The Program is part of an overall strategy to encourage County employees to purchase and use "green vehicles", or public transportation for their commute to and from work. This Program was developed in response to your direction, and will provide County employees discounts on the purchase or lease of alternative fuel vehicles as an incentive to lessen the impact on the environment that results from daily commuting to and from work.

The Program will be established upon the Board's approval. Longo Toyota will be the initial automotive dealership to participate. Longo Toyota was selected as the initial dealership based upon their award in 2006 of the County's solicitation for hybrid vehicles. Longo Toyota has provided for pricing to County employees that is consistent with the County's current purchasing agreement, and will be the pricing benchmark for other Toyota dealerships that participate. The attachment, Exhibit A, sets the "cap" selling price that the dealerships can charge. County employees can still try to negotiate with the dealerships on their own for an even lower price. We currently have additional dealerships that are interested in participating, and we will market the program to other dealerships within the County of Los Angeles and establish agreements for those who wish to participate. In the event of price disputes between County employees and the dealerships, ISD will conduct an investigation and the dealerships shall abide by the County's decision.

In addition to this Program, we are pursuing the following objectives as part of the overall strategy to lessen the impact on the environment:

- Commuter Benefit Plan
- South Coast Air Quality Management District Credits
- Flexible Car Sharing Program

We will be presenting recommendations for each of the objectives in the near future when they have been fully developed for implementation.

Implementation of Strategic Plan Goals

The Program supports the County's Strategic Plan Goals for Work Force Excellence and Organizational Effectiveness by providing County employees with the means to support the Board's Clean Fuel Program, and further their environmental stewardship beyond the workplace and into their daily activities.

FISCAL IMPACT/FINANCING

There is minimal financial impact to the County to administer the Program. ISD will be responsible for the administration of the Program, and will provide the administrative support within their current appropriation.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Program allows for automotive dealerships within the County of Los Angeles to participate by offering discounts to County employees on the purchase/lease of new alternative fuel vehicles.

The Program requires that automotive dealerships participate under the terms and conditions set forth by the County. The agreement has been reviewed and approved as to form by County Counsel and the Risk Management Branch of the Chief Executive Office.

IMPACT ON CURRENT SERVICES

There will be no impact to current services.

CONCLUSION

Upon approval by your Board, please return two original signed agreements and an adopted stamped copy of this letter to my office.

Respectfully submitted,


WILLIAM T FUJIOKA
Chief Executive Officer

WTF:DIL:WGL
PHG:mst

Attachment

c: Executive Officer, Board of Supervisors
Internal Services Department
County Counsel



Dave Lambertson
Director

COUNTY OF LOS ANGELES
Internal Services Department
1100 North Eastern Avenue
Los Angeles, California 90063

To enrich lives through effective and caring service.



Telephone: (323) 267-2101
FAX: (323) 264-7135

December 13, 2007

NEW VEHICLE PROMOTION AGREEMENT

This Agreement is entered into by and between Longo Toyota (herein "Dealer") and the County of Los Angeles (herein "County"). In consideration of the mutual promises contained herein, the parties agree as follows:

1. Program. Dealer agrees to participate in the Vehicle Purchasing Service (herein "Program") for County Employees under the terms and conditions set forth in this Agreement and in any addenda thereto.
2. Employee Definition. Unless specifically excepted herein, the term "Employee" shall include any employee of the County of Los Angeles.
3. Practices. Upon request, Dealer shall allow any Employee to inspect a true factory invoice to verify pricing. Dealer shall not engage in any practices which are deceptive or unethical, or which put pressure on the Employee. Dealer shall be solely responsible for any Employee complaints regarding the vehicles displayed or sold by the Dealer, and any related goods or services purchased from the Dealer, including service agreements, warranties and after-market products. Dealer agrees to provide prompt and effective responses to Employees having questions and complaints. If a complaint is not resolved by Dealer, and upon request of an Employee, County will determine disputes between the Employee and Dealer relating to Dealer's performance under the Program. This provision shall apply only to disputes arising during the first 12 months of the vehicle's purchase date. The County's decision shall be conclusive and binding on the Dealer but not on the Employee.
4. Price disputes. In the event of a dispute between Dealer and Employee regarding the price charged for a vehicle, and if the County determines that the Dealer has overcharged the Employee, Dealer shall, at the County's sole discretion, 1) reimburse the Employee for the overcharge, 2) rewrite the sales contract with an adjusted selling price, or 3) rescind the sale. Any sums refunded shall include applicable sales tax and license fees. Dealer shall abide by the County's decision, and shall fully comply within 7 days thereof.

5. Indemnification. Dealer shall indemnify, defend and hold harmless the County, its board employees, officers, agents, and employees from any and all loss, liability, claim, action, damage, penalties, demand or expense whatsoever, including, but not limited to, court costs and expenses, and attorneys' fees, arising out of or related to this Agreement, including without limitation, any matter involving bodily injury, personal injury, property damage or any other injury or damage arising out of or related to: 1) any vehicle displayed or sold by Dealer under the Program, including without limitation, when being test-driven by a Employee, 2) any Employee complaint, and 3) any act or omission of Dealer, its employees, agents or contractors, including without limitation, any noncompliance with any law or any provision of this Agreement.
6. Insurance. Without limiting Dealer's indemnification of County and during the term of this Agreement, Dealer shall provide and maintain the following programs of insurance specified in this Agreement. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County, and such coverage shall be provided and maintained at Dealer's own expense.
 - a. Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory to County shall be delivered to *Robert Ortiz, Section Manager, 1100 N. Eastern Avenue, Room G-115, Los Angeles, CA 90063*, prior to commencing services under this Agreement. Such certificates or other evidence shall:
 - i. Specifically identify this Agreement.
 - ii. Clearly evidence all coverages required in this Agreement.
 - iii. Contain the express condition that County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance.
 - iv. Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Agreement.
 - b. Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII, unless otherwise approved by County.
 - c. Failure to Maintain Coverage: Failure by Dealer to maintain the required insurance, or to provide evidence of insurance coverage acceptable to County, shall constitute a material breach of the contract upon which County may immediately terminate or suspend this Agreement.
 - d. Notification of Incidents, Claims or Suits: Dealer shall report to County:
 - i. any accident or incident relating to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against Dealer and/or County. Such report shall be made in writing within 24 hours of occurrence.
 - ii. any third party claim or lawsuit filed against Dealer arising from or related to services performed by Dealer under this Agreement.

- e. Insurance Coverage Requirements:
 - i. General Liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:
 - ii. General Aggregate: \$2 million
Products/Completed Operations Aggregate: \$1 million
Personal and Advertising Injury: \$1 million
Each Occurrence: \$1 million
 - iii. Automobile Liability insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".
 - iv. Workers Compensation and Employers' Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which Dealer is responsible.
- 7. Compliance with Laws. Dealer shall comply with all laws and regulations regarding the sale of new vehicles.
- 8. New Vehicles. Dealer shall honor a pricing agreement for new vehicles, provided by the County upon execution of this Agreement. The agreement is attached as Exhibit A hereto. Dealer shall allow any Employee to inspect the pricing agreement. Dealer will revise this sheet on a monthly basis subject to the County's prior written approval. Dealer warrants and represents that during the term of the Agreement, the pricing agreed to shall meet or exceed in all respects any discount, benefit or offering granted to any other organization accessible to the general public or to employees of the public individually, but excluding commercial fleet sales.
- 9. Leases. Dealer shall have available leasing programs for the Employees. Once the purchase price has been determined and the Employee wishes to lease the vehicle, the Dealer shall negotiate lease rates and plans with the Employee.
- 10. Nondisclosure. Dealer shall not use, copy, disclose or divulge any information provided by the County, including names, addresses and/or telephone numbers of Employees, or use the segmented list of Employees who become vehicle purchasers for marketing other Dealer or third party goods or services without the express written consent of an officer of the County. Dealer shall not disclose all or any portion of the list of Employees who become vehicle purchasers, including any Employee names, addresses or telephone numbers, to any third party for any purpose except as required by subpoena or other judicial or governmental process, and as soon as possible after receipt of which, Dealer will notify the County and will cooperate if the County seeks a protective order or otherwise seeks to prevent or limit disclosure. The agreements contained in this paragraph apply to the parties' respective employees, agents, contractors, assigns and successors of each, and shall continue in force after this Agreement is terminated.

11. Termination. Either party in its sole discretion may terminate this Agreement without cause at any time by giving thirty (30) days written notice to the other party. All provisions of this Agreement which may relate to events occurring after the termination of this Agreement shall survive the termination of this Agreement.

The County of Los Angeles shall have the immediate right to terminate this Agreement upon notice to Dealer in the event of 1) any ownership change of Dealer, 2) excessive Employee complaints or poor service to Employees, which shall be determined at the County's sole discretion, 3) Dealer's unwillingness to abide by pricing guidelines, 4) breach of any provision of this Agreement, or 5) insolvency of Dealer, the filing of a petition in bankruptcy or a general assignment for the benefit of creditors.

12. Entire Agreement. This Agreement sets forth the entire agreement and understanding between the parties hereto and supersedes any prior understandings or agreements. No waiver, alteration, modification or cancellation of any of the provisions of this Agreement shall be binding unless made in writing and signed by the parties.

13. Authority. Each party covenants that the individual executing this document by and on behalf of such party is duly authorized to execute contracts for that party.

DEALER

County of Los Angeles

Lonco Toyota

By: RJD

Name: Ron Durvan

Title: CONSUMER FLOOR DIRECTOR

Date: 12/13/07

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

Los Angeles County Employee Purchase Program Toyota Hybrid Vehicles

		MSRP	Discount Formula	Selling Price
Prius	Package 1	\$23,184.00	\$100 over Longo Cost	\$21,746.00
Prius	Package 2	\$23,759.00	\$100 over Longo Cost	\$22,321.00
Prius	Package 5	\$26,464.00	\$800 off MSRP	\$25,664.00
Prius	Package 6	\$27,734.00	\$800 off MSRP	\$26,934.00
Prius	Touring Package 5	\$26,984.00	\$1000 off MSRP	\$25,984.00
Prius	Touring Package 6	\$28,254.00	\$1000 off MSRP	\$27,254.00
Camry	Base Model	\$25,860.00	\$100 over Longo Cost	\$23,824.00
	Available Options			
	Sun Roof	\$940.00	At Cost	\$752.00
	Upgrade Package	\$1,150.00	At Cost	\$989.00
	Upgrade Package w/NAV	\$2,350.00	At Cost	\$2,009.00
Highlander	Package Popular	\$37,449.00	\$1000 off MSRP	\$36,449.00
	Package Popular +	\$41,674.00	\$1000 off MSRP	\$40,674.00
Highlander	Limited	\$42,664.00	\$1000 off MSRP	\$41,664.00
	Available Options			
	Navigation	\$2,655.00	At Cost	\$2,211.00
	Rear Entertainment DVD	\$1,780.00	At Cost	\$1,424.00

1. Please keep in mind that some hybrid vehicles that are in high demand have a waiting list.
2. This program is also offered to the immediate family members of the employee as well.



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June 26, 2008

To: Supervisor Yvonne B. Burke, Chair
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From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name and title.

STATUS REPORT #3 – COMMITTEE REPORT ON RECOMMENDATIONS TO ENCOURAGE PURCHASE AND USE OF “GREEN” VEHICLES AND USE OF PUBLIC TRANSPORTATION

On March 13, 2007, the Board of Supervisors directed the Chief Executive Office, in cooperation with the Internal Services Department (ISD) County Energy Team and the Department of Public Works, to develop incentives that would encourage County employees to use “green” vehicles and/or public transportation for commuting to and from work. We provided an initial report on August 17, 2007, and a second status report on October 12, 2007. This is our third status report.

VEHICLE PURCHASING SERVICES PROGRAM

On February 12, 2008, your Board approved the establishment of a Vehicle Purchasing Services Program (Program) for employees of the County of Los Angeles. On motion of Supervisor Burke, the Board further instructed the Chief Executive Office to report back on the following:

- Determine the feasibility of extending the Program to County retirees, contractors and sub-contractors.
- Provide each Department Head, Union and Employee Association with promotional material describing the Program.

“To Enrich Lives Through Effective And Caring Service”

*Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only*

Distribution of Promotional Material

Promotional material has been developed (attached) and a link to the Program promotional material and agreement has been established on the County's information web page. My office will send the material out along with a cover letter asking Departments and employee groups to assist in making their employees/members aware of the Program and its benefits. Also, we will request Departments to promote the Program on their intranet site and provide the link to the Program's web address. The material will be distributed to the targeted groups prior to June 30, 2008.

Paycheck Message

We pursued the possibility with the Auditor-Controller's office to include a message on the next available paycheck. However, the paycheck message slots were already designated for other programs. Instead, we developed a marketing insert as an alternative. The marketing insert (attached) was distributed in County paychecks for current and retired employees with the April 15, 2008 payday.

USE OF PUBLIC TRANSPORTATION

As we previously indicated, the County does not currently possess the systems or administrative expertise necessary to operate a tax exempt mass transit commuter program, but there are a number of vendors that specialize in this type of service. We are in the process of conducting a Request for Proposal (RFP) for Third Party Administrator services in operating a Commuter Benefit Program. The deadline date to receive bids from potential vendors was May 16, 2008. An Evaluation Committee has been formed and is currently reviewing the Proposals. Once the RFP process is complete and a Third Party Administrator is selected, we will report back to the Board with our findings. We estimate this will be done by the end of August 2008.

The program will be cost neutral to the County and County employees who participate will have payroll deductions to recover the costs charged by the Third Party Administrator. We have consulted legal counsel's opinion to determine if those costs can also be a pre-tax deduction to the employee and we are awaiting a final determination.

ATTACHMENT I

**PROMOTIONAL MATERIAL TO BE SENT TO
DEPARTMENTS AND EMPLOYEE GROUPS**

COUNTY OF LOS ANGELES VEHICLE PURCHASING SERVICES PROGRAM ALTERNATIVE FUEL VEHICLES

Go Green!!! Do your part to help the environment while taking advantage of great price discounts!!!



THE PROGRAM

- **Establishes pre-negotiated pricing agreements with dealerships within the County of Los Angeles**
- **Discounted pricing for the purchase or lease of alternative fuel vehicles available to all County employees, retirees, family members, and contractors/sub-contractors**
- **Offers binding arbitration clauses to resolve disputes between participating dealerships and program participants**

HOW IT WORKS

- **Contact the Fleet Department at a participating dealership**
- **Identify yourself as a County employee, retiree, family member, or contractor/sub-contractor**
- **Indicate that you are interested in purchasing or leasing a vehicle through the County of Los Angeles' Vehicle Purchasing Services Program (VPSP)**
- **Select an alternative fuel vehicle and any added options**
- **The dealership will provide you with the pricing according to the VPSP**
- **Determine whether you want to accept the offer**

If the offer is right for you, drive away in your new environmentally-friendly vehicle!!!

For a list of participating dealerships, pricing, and additional information, visit:

**Internet - <http://lacounty.gov/vpsp.htm>
County Intranet - <http://web.co.la.ca.us/lacounty/vpsp.htm>**

If you do not have access to the internet or have questions about the program, please call Bob Ortiz at (323) 267-2272.

ATTACHMENT II

PAYCHECK MESSAGE

(FRONT AND BACK)

DISTRIBUTED WITH APRIL 15, 2008 PAYCHECKS



COUNTY OF LOS ANGELES



LS600h



RX400h



Prius



Camry



Highlander



GS450h

VEHICLE PURCHASING SERVICES PROGRAM



GO GREEN



County of Los Angeles is making a conscious effort to lessen our
County's carbon footprint on the environment.
"YOU CAN MAKE A DIFFERENCE TOO!"

The County introduces the all new

VEHICLE PURCHASING SERVICES PROGRAM

- Special Purchasing Options on Hybrid Vehicles.
- Purchase at a pre-negotiated rate from LA County dealerships, including Longo Toyota / Lexus.
- Available to County employees, retirees, family members, and County contractors / subcontractors.

Internet - <http://lacounty.gov/vpsp.htm>

Intranet - <http://web.co.la.ca.us/lacounty/vpsp.htm>

Longo Toyota • Longo Lexus • 3534 North Peck Road El Monte, CA 91731